1 GIBSON, DUNN & CRUTCHER LLP JEFFREY D. DINTZER (SBN 139056) MATTHEW C. WICKERSHAM (SBN 241733) 2 NATHANIEL P. JOHNSON (SBN 294353) 3 333 South Grand Avenue, 47th Floor Los Angeles, CA 90071-3197 Telephone: (213) 229-7000 4 Facsimile: (213) 229-7520 5 Attorneys for Proposed Respondents-in-Intervention, AERA ENERGY LLC, BERRY PETROLEUM 6 COMPANY LLC, CALIFORNIA RESOURCES 7 CORPORATION, CHEVRON U.S.A. INC., FREEPORT-MCMORAN OIL & GAS LLC, LINN 8 ENERGY HOLDINGS LLC, and MACPHERSON **OIL COMPANY** 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF ALAMEDA 11 CENTER FOR BIOLOGICAL Case No. RG15769302 12 DIVERSITY, and SIERRA CLUB, non-Assigned for all purposes to the Hon. George C. profit corporations, 13 Hernandez, Dept. 17 Petitioners, 14 RESPONSE TO PETITIONERS' EVIDENTIARY OBJECTIONS AND VS. 15 MOTION TO STRIKE PORTIONS OF CALIFORNIA DEPARTMENT OF DECLARATION OF NATHANIEL 16 CONSERVATION, DIVISION OF OIL, JOHNSON IN SUPPORT OF MOTION FOR LEAVE TO INTERVENE BY AERA GAS, AND GEOTHERMAL 17 RESOURCES; and DOES 1 through 20, **ENERGY LLC, BERRY PETROLEUM COMPANY LLC, CALIFORNIA** inclusive, 18 RESOURCES CORPORATION, CHEVRON U.S.A. INC., FREEPORT-Respondents. 19 MCMORAN OIL & GAS LLC, LINN **ENERGY HOLDINGS LLC, AND** 20 MACPHERSON OIL COMPANY AERA ENERGY LLC, BERRY 21 PETROLEUM COMPANY LLC. June 15, 2015 Date: CALIFORNIA RESOURCES 22 Time: 2:30 p.m. CORPORATION, CHEVRON U.S.A. 17 Dept.: INC., FREEPORT-MCMORAN OIL & 23 GAS LLC, LINN ENERGY HOLDINGS Action Filed: May 7, 2015 LLC, and MACPHERSON OIL 24 Trial Date: None set COMPANY, 25 Respondents-in-Intervention. 26 27 28

Response to Petitioners' Evidentiary Objections and Motion to Strike

Gibson, Dunn &

I. INTRODUCTION

The evidentiary objections and motion to strike raised by Petitioners should be denied. The portions of the Declaration of Nathaniel Johnson ("Johnson Declaration") in Support of Motion for Leave to Intervene by Aera Energy LLC, Berry Petroleum Company LLC, California Resources Corporation, Chevron U.S.A. Inc., Freeport McMoRan Oil & Gas LLC, LINN Energy Holdings LLC, and Macpherson Oil Company (collectively, "Energy Companies") and the accompanying exhibits identified by Petitioners in their objection are relevant and proper.

The portions of the Johnson Declaration objected to by Petitioners are clearly relevant to the question of whether this Court should grant the Motion for Leave to Intervene. The contested exhibits are pleadings and orders from two recent cases involving Petitioners, DOGGR, and parties from the oil and gas industry. (See Johnson Decl., ¶¶ 2–3, 5–7.) Rather than invoke these pleadings and orders for their "precedential value," the Energy Companies use these exhibits to establish that DOGGR would not be able to adequately represent the Energy Companies' interests in this litigation. (See Motion for Leave to Intervene at pp. 7:1–8:2.) Proving inadequate representation by the existing parties is an essential element of mandatory intervention. (Code Civ. Proc. § 389, subd. (b).)

The contested exhibits are obviously relevant to the Motion for Leave to Intervene as they "hav[e] any tendency in reason to prove . . . any disputed fat that is of consequence to the determination of the action." (Evid. Code § 210.) This Court has made clear that evidentiary objections should not be raised unless the "items of evidence are legitimately in dispute." (General Guidelines for Litigating in Dept. 17, June 17, 2014.) Petitioners do not come close to raising a legitimate dispute about the relevance of these exhibits, and the "evidentiary objections are unnecessary." (*Ibid.*) Petitioners' evidentiary objections and motion to strike should thus be denied.

II. ARGUMENT

Petitioners have raised objections to five (5) portions of the Johnson Declaration and the accompanying exhibits. These portions and exhibits include: (1) the Order Granting Motion for Leave to Intervene by Western States Petroleum Association, California Independent Petroleum Association, and Independent Oil Producers Agency, Center for Biological Diversity, et al. v. California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (Super. Ct.

Alameda County, 2014, No. RG12652054) (hereafter *CBD* Litigation); (2) the Order Granting Defendants-Intervenors Western States Petroleum Association, California Independent Petroleum Association, and Independent Oil Producers Agency Motion to Dismiss or, Alternatively, for Judgment on the Pleadings, *CBD* Litigation; (3) the Ruling on Demurrer by Real Party in Interest Aera Energy LLC to Association for Irritated Residents, Center for Biological Diversity, and Sierra Club's Verified Petition for Writ of Mandate *Association of Irritated Residents, et al. v. California Department of Conservation, et al.* (Kern County Sup. Ct., Case No. S-1500-CV-283418) (hereafter *AIR* Litigation); (4) the Demurrer by Real Party in Interest Aera Energy LLC to Association for Irritated Residents, Center for Biological Diversity, and Sierra Club's Verified Petition for Writ of Mandate, *AIR* Litigation; and (5) the Demurrer by Respondent to Verified Petition for Writ of Mandate, *AIR* Litigation. (Johnson Decl., ¶ 2-3, 5-7; see also Evidentiary Objections and Motion to Strike ("Objections") at pp. 1:14–2:2, 3:15–23, filed June 10, 2015.) Together, these documents demonstrate that oil and gas interests were affected in prior cases similar to the present matter, that successful arguments were made by members of the oil and gas industry in those prior cases, and that DOGGR was unable or unwilling to make those successful arguments.

Petitioners' objections to these portions of the Johnson Declaration completely misunderstand the probative value of the accompanying exhibits. Contrary to Petitioners' assertions, the Energy Companies are not pointing the Court to these prior pleadings and orders for their "precedential value" or for an "inadmissible legal conclusion." (Objections at pp. 2:6, 3:6–7.) The Energy Companies are certainly not arguing this Court is "bound . . . by prior superior court cases." (*Id.* at p. 3:3–4.) Nor are the Energy Companies asking this Court to consider the substantive value of a demurrer that "is not even before this Court." (*Id.* at p. 4:3–4.)

Instead, the Energy Companies have brought these prior pleadings and orders before the Court to establish the straightforward proposition that DOGGR does not always adequately represent the Energy Companies' interests in similar litigation. (See Motion for Leave to Intervene at pp. 7:1–8:2.) This showing of inadequate representation by DOGGR is a necessary component of the Energy Companies' Motion for Leave to Intervene. (Code Civ. Proc. § 389, subd. (b).) The recent actions by DOGGR in similar litigation that affected the Energy Companies' interest in oil and gas

production has significant probative value for the question of whether DOGGR will adequately represent those same interests in this litigation. Petitioners never suggest otherwise.

Introduction of the contested exhibits will not prejudice Petitioners or confuse the issues of this case. (See Objections at p. 3:5-6.) The Petitioners thus do not risk any prejudice simply because The Energy Companies have invoke these exhibits to establish the discrete point that DOGGR cannot be expected to adequately represent the Energy Companies' interests in this litigation, and Petitioners thus do not risk any prejudice. Far from confusing the issues, the contested exhibits provide probative historical context for a question—adequate representation in upcoming litigation—that usually "requires clairvoyance beyond the trial court's expertise." (Cnty. of Imperial v. Superior Ct. (2007) 152 Cal.App.4th 13, 38.)

Petitioners' attempt to strike some of the contested exhibits pursuant to Rule of Court 8.1115 is ineffective. As an initial matter, rule 8.1115 applies to the "Publication of Appellate Opinions," not to prior pleadings and orders from the Superior Court. Further, even if the contested exhibits have "no precedential value" and are "without any precedential value or binding force" (Objections at p. 2:22-26), the prior cases are still probative of an essential element of the Energy Companies' Motion for Leave to Intervene. The exhibits can demonstrate that DOGGR failed to raise an argument that was successful in another Superior Court in a similar matter, without binding the Court to the prior decisions.

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1 2	III. CONCLUSION
3	For the foregoing reasons, the Petitioners' evidentiary objections and motion to strike
4	paragraphs 2, 3, 5, 6, and 7 of the Johnson Declaration, and the accompanying exhibits, should be
5	denied, and these documents should be admitted for consideration of the Energy Companies' Motion for
6	Leave to Intervene.
7	Respectfully submitted,
8	Dated: June 12, 2015 GIBSON, DUNN & CRUTCHER, LLP
9	By: AWA
10	Jeffrey IA. Wintzer
10	Attorneys for Proposed Respondents-in-Intervention, AERA ENERGY LLC, BERRY PETROLEUM
	COMPANY LLC, CALIFORNIA RESOURCES
12 13	CORPORATION, CHEVRON U.S.A. INC., FREEPORT MCMORAN OIL & GAS LLC, LINN
	ENERGY HOLDINGS LLC, and MACPHERSON OIL COMPANY
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